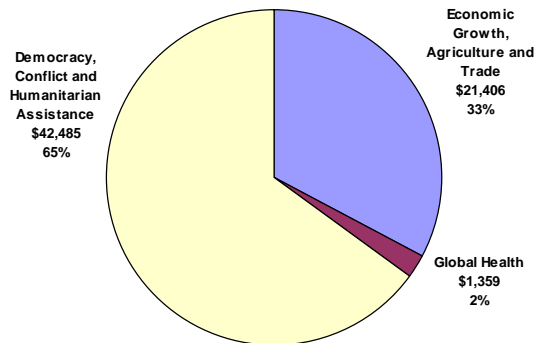
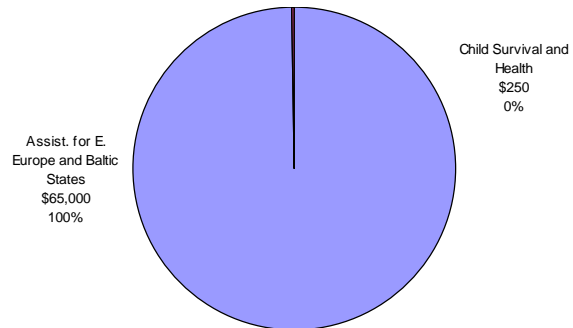


Europe Regional

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Fiscal Reform	180-0120	239	299	177
Private Enterprise Development	180-0130	821	541	500
Strengthening the Financial Sector	180-0140	789	877	400
Sustainable Energy Systems	180-0150	1,595	1,500	1,500
Better Environmental Management	180-0160	3,259	989	400
Democratic Governance	180-0200		693	1,160
Civil Society	180-0210	1,277		
Rule of Law	180-0220	471		
Local Government and Urban Development	180-0230	573		
Health Promotion and Care	180-0320	2,269	1,390	1,359
Social Sector Reform	180-0340	223	800	450
Cross-Cutting Programs	180-0420	4,799	4,661	5,304
Transfers		21,710	33,327	54,000
Total (in thousands of dollars)		38,025	45,077	65,250

Deputy Assistant Administrator: Thomas Mefford

Europe Regional PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Asst. for E. Europe and the Baltic States	69,438	37,775	44,827	65,000
Child Survival and Health Programs Fund	250	250	250	250
Total Program Funds	69,688	38,025	45,077	65,250

STRATEGIC OBJECTIVE SUMMARY				
180-0120 Fiscal Reform				
AEEB	248	239	299	177
180-0130 Private Enterprise Development				
AEEB	1,958	821	541	500
180-0140 Strengthening the Financial Sector				
AEEB	1,000	789	877	400
180-0150 Sustainable Energy Systems				
AEEB	5,313	1,595	1,500	1,500
180-0160 Better Environmental Management				
AEEB	1,911	3,259	989	400
180-0200 Democratic Governance				
AEEB	0	0	693	1,160
180-0210 Civil Society				
AEEB	3,479	1,277	0	0
180-0220 Rule of Law				
AEEB	1,291	471	0	0
180-0230 Local Government and Urban Development				
AEEB	1,141	573	0	0
180-0320 Health Promotion and Care				
AEEB	2,956	2,019	1,140	1,109
CSH	250	250	250	250
180-0340 Social Sector Reform				
AEEB	666	223	800	450
180-0410 Special Initiatives				
AEEB	2,495	0	0	0
180-0420 Cross-Cutting Programs				
AEEB	3,928	4,799	4,661	5,304
TRANSFER				
AEEB	43,052	21,710	33,327	54,000

Deputy Assistant Administrator,
Thomas Mefford

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Fiscal Reform
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	180-0120
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$299,000 AEEB
Prior Year Unobligated:	\$66,000 AEEB
Proposed FY 2006 Obligation:	\$177,000 AEEB
Year of Initial Obligation:	1997
Estimated Year of Final Obligation:	2006

Summary: USAID's regional fiscal reform program improves economic policy and governance in the region through the development, support, and expansion of regional networks and linkages of national institutions and professionals and the use of new and refined analytic tools for measuring and monitoring regional and country progress based on international standards and other benchmarks.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$299,000 AEEB; \$66,000 AEEB carryover). This program component enhances regional transparency and accountability in the areas of anticorruption and regional accounting reform. Working with international, regional, and national accounting institutions and others, this activity promotes regional networking, linkages, transfer of knowledge, and monitoring of regional progress against quantitative and qualitative benchmarks. This activity supports the formation of Global Development Alliances aimed at ensuring the sustainability of a regional accounting federation through networking of national associations and professionals and benchmarking founded on internationally recognized values, principles, and professional standards, including standards of ethical conduct, and by providing technical expert advice not available within USAID. By building alliances among and with international, regional, and national associations, this region-wide program and related regional activities increase fiscal transparency and accountability and prevent corruption and promote integrity. This activity supports the use of new analytic benchmarking tools to measure and monitor progress regionally against international standards and other benchmarks and indicators of progress. Through results obtained from implementation and evaluation of field work and related regional activities, this activity provides USAID Missions with refined, practice-oriented diagnostic, analytical, and other programming tools and related technical expert advice to combat corruption and promote integrity in targeted sectors and related public and private sector institutions based on the Europe and Eurasia Bureau's strategic framework for combating corruption (Transparency-Accountability-Prevention-Enforcement-Education or "T A P E E"). This component will also finance technical expertise to support and complement mission programs and capabilities and to help manage regional activities. Contractors/grantees: Carana Corporation and University Research Corporation - The IRIS Center, University of Maryland (primes).

FY 2006 Program: Improve Economic Policy and Governance (\$177,000 AEEB). The program areas noted for FY 2005 will be supported by program-funded technical staff and related support.

Performance and Results: USAID's fiscal reform activities are improving economic policy and governance in the region through achievement of results that promote transparency and accountability and combat corruption and foster integrity in targeted public and private sector institutions, relationships, and transactions. The regional anti-corruption sub-component is generating, testing, implementing, refining, and evaluating new, practice-oriented diagnostic, analytical, and other programming tools tailored to the specific anti-corruption programming needs of USAID field missions. The regional accounting reform sub-component is promoting the implementation of International Financial Reporting Standards and harmonization through benchmarking and the development, expansion and sustainability of alliances between and among international, regional, and national associations and institutions committed to promoting financial transparency and accountability in the region.

US Financing in Thousands of Dollars

Eurasia Regional

110-0120 Fiscal Reform	FSA
Through September 30, 2003	
Obligations	3,945
Expenditures	2,479
Unliquidated	1,466
Fiscal Year 2004	
Obligations	1,003
Expenditures	1,202
Through September 30, 2004	
Obligations	4,948
Expenditures	3,681
Unliquidated	1,267
Prior Year Unobligated Funds	
Obligations	420
Planned Fiscal Year 2005 NOA	
Obligations	145
Total Planned Fiscal Year 2005	
Obligations	565
Proposed Fiscal Year 2006 NOA	
Obligations	177
Future Obligations	0
Est. Total Cost	5,690

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Private Enterprise Development
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	180-0130
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$541,000 AEEB
Prior Year Unobligated:	\$291,000 AEEB
Proposed FY 2006 Obligation:	\$500,000 AEEB
Year of Initial Obligation:	1996
Estimated Year of Final Obligation:	2006

Summary: Building on existing bi-lateral competitiveness activities, assistance under this program support objective promotes the competitiveness of small- and medium-sized enterprises in the region.

Inputs, Outputs, Activities:

FY 2005 Program: Increase Private Sector Growth (\$541,000 AEEB \$5,119 AEEB carryover, \$285,881 prior year recoveries). The Regional Competitiveness Initiative aims to increase the competitiveness of small- and medium-sized enterprises (SMEs) in the region. It builds on, complements, and adds a regional dimension to existing bi-lateral programs.

Contacts with industry and agricultural firms are being pursued throughout the region to identify clusters of businesses that are capable and committed to working together to produce quality products that respond to the demands of the markets in the region and beyond. Up to six industry clusters, either on a regional or country-specific level will be selected for technical assistance. Opportunities to bring business, government, and civil society leaders together to increase the competitiveness of their countries and regions through regional competitiveness consultative councils will be developed and supported. In order to measure progress, assistance will be provided to include countries of the region in the annual Global Competitiveness Report published by the World Economic Forum. Technical assistance will be provided to all participating clusters on the standardization and harmonization of their products for international trade. Contractor: Chemonics and Segura/IP3 (primes).

To effectively address the significant "knowledge gaps" in the area of business skills among SME entrepreneurs and their executive and department managers in the Southeast and Central European region, USAID will provide support for the Center for Entrepreneur and Executive Education (CEED), currently being developed as a pilot effort in Bulgaria. The CEED project will complement the more formal and longer-term education being offered by universities such as American University-Bulgaria. This activity is implemented by the Small Enterprise Assistant Fund - SEAF.

This component will also finance technical expertise to support and complement mission programs and capabilities and to help manage regional activities.

FY 2006 Program: Increase Private Sector Growth (\$500,000 AEEB). The assistance to selected industry clusters will continue. USAID will work with the groupings of businesses to better understand the demands of the markets, to improve the business environment directly impacting the cluster, to improve the productivity and value up and down the supply chain, and to participate actively in cross border trade. Efforts to link business, government, and civil society leaders will be continued as well as support for the Center for Entrepreneur and Executive Education. The contractors/grantees are the same as in FY 2005.

Performance and Results: Nearly all USAID bilateral and regional private sector programs have focused significant resources on improving the environment for private sector economic growth. Participation in a Regional Competitiveness workshop in Macedonia in September 2004 provided an introduction to the regional Competitiveness Initiative contractor Segura/IP3. Workshop discussions

provided initial inputs to the work plan. This was followed by staff visits to seven countries and consultations with local missions and bilateral program implementers and resulted in the identification of three regional initiatives that will become the initial focus of the program: customs standardization, an information and communications technology cluster, and a processed food cluster.

In mid-2004, USAID funded a feasibility study to establish a regional educational project that would provide a series of practical training courses and network learning centers for SME entrepreneurs and executives in Southeast and Central European countries. The study confirmed that there were significant "knowledge gaps" in the area of business skills among SME entrepreneurs and their managers. It further recommended establishing a Pilot Project in Bulgaria and this activity is now being implemented.

US Financing in Thousands of Dollars

Eurasia Regional

110-0130 Private Enterprise Development	ESF	FSA
Through September 30, 2003		
Obligations	15,092	76,754
Expenditures	15,008	74,735
Unliquidated	84	2,019
Fiscal Year 2004		
Obligations	0	1,491
Expenditures	0	1,349
Through September 30, 2004		
Obligations	15,092	78,245
Expenditures	15,008	76,084
Unliquidated	84	2,161
Prior Year Unobligated Funds		
Obligations	0	287
Planned Fiscal Year 2005 NOA		
Obligations	0	549
Total Planned Fiscal Year 2005		
Obligations	0	836
Proposed Fiscal Year 2006 NOA		
Obligations	0	760
Future Obligations	0	0
Est. Total Cost	15,092	79,841

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Strengthening the Financial Sector
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	180-0140
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$877,000 AEEB
Prior Year Unobligated:	\$163,000 AEEB
Proposed FY 2006 Obligation:	\$400,000 AEEB
Year of Initial Obligation:	1992
Estimated Year of Final Obligation:	2006

Summary: The purpose of activities under program support objective is the development of sound, vibrant, private and competitive financial sectors in Southeast Europe countries which promote growing financial intermediation in support of private sector development and sustainable economic growth. The focus of the regional activities is on the introduction of new products to broaden and deepen the financial sector, cross-border trading and risk management, institutional development and capacity building of financial and regulatory institutions, and anti-money laundering activities. A key element in all the programs is regional harmonization and meeting international standards to ensure faster integration of financial markets into the international financial system.

Inputs, Outputs, Activities:

FY 2005 Program: Strengthen Financial Sector Contribution to Growth (\$877,000 AEEB, \$7,390 AEEB carryover, \$155,600 AEEB prior year recoveries).

Partners for Financial Stability Expanded (PFS-E). This new regional Southeast Europe (SEE) activity is focused on practical ways to deepen financial markets and harmonize financial markets and related laws, policies, and practices in the region based on international standards. (Southeast Europe includes: Albania, Bosnia, Bulgaria, Croatia, Kosovo, Macedonia, Romania and Serbia and Montenegro). The primary PFS-E activities are mortgage finance, financial sector supervision and risk management, corporate governance, accounting/auditing, anti-money laundering, debt finance for small- and medium-size enterprises (SMEs), insurance, and pension reform. There will also be a focus on the role of the judiciary in the adjudication and enforcement of laws and regulations in these areas. Through regional workshops and assessments, the establishment of regional working groups and networks, innovative pilot programs, knowledge management and the promotion of regional private sector funds, PFS-E is designed to catalyze the private and public financial sector actors and institutions in the SEE region to promote and advocate change. It will build on the success of the original PFS program in the Northern Tier countries of Central and Eastern Europe (now European Union (EU) members) and continue to use counterparts and institutions in those countries with whom USAID worked to transfer lessons to the SEE countries.

Assessments have been conducted in the majority of the SEE countries to determine financial sector gaps and what financial sector challenges can be addressed through a regional approach.

A workshop will be held in the SEE region in 2005 to discuss the findings and determine next steps. Two meetings of the South East Europe Mortgage Finance Network (SEEMFN) will be held to discuss the latest legal and policy developments in establishing a regional secondary mortgage market, regional mortgage statistical databases, regulation and supervision of mortgage lending, mortgage default insurance, and a standardized underwriting manual which will promote mortgage securities. The SEEMFN comprises public and private sector mortgage finance practitioners. This component will also finance technical expertise to support and complement mission programs and capabilities and to help manage regional activities. Contractors: East-West Management Institute (EWMI, Urban Institute, To be Determined (TBD) (primes).

FY 2006 Program: Strengthen Financial Sector Contribution to Growth (\$400,000 AEEB). The focus of

activities in 2006 will be on a series of seminars/workshops and training sessions (a minimum of six) to bring together SEE public and private sector financial sector practitioners with Central and Eastern Europe and international experts. These will support such challenges to financial sector deepening and modernization as: 1) the introduction of new financial sector products, such as mortgage securities, insurance products, credit cards, and corporate bonds; 2) more effective financial sector supervision across all areas - banking securities, insurance, and pension - as the financial sector continues to grow rapidly; 3) improved anti-money laundering prevention and enforcement; 4) better accountability and governance based on a strengthened accounting and auditing profession and the adoption of new procedures; and 5) integration of SEE capital markets. Support is also expected to be provided for the development of new courses at the Training Institute for Bank Supervision at the National Bank of Poland which trains bank regulators from all over the region and to finance technical expertise to support and complement mission programs and capabilities and help manage regional activities. All of these activities are designed to promote regional financial sector integration and harmonization based on best practices and international standards. Principal contractors: TBD

Performance and Results: The Southeast Europe Mortgage Finance Network continues to meet biannually to promote the expansion of mortgage markets in the region. It has been active in promoting mortgage related legal reform in the participant countries as well as helping to standardize underwriting criteria for mortgage lending. A study has been completed analyzing the feasibility of establishing a private Southeast Europe Mortgage Fund which would help mortgage lenders access long-term financing from the Euromarkets. It concluded that such a Fund is not premature. The European Bank for Reconstruction and Development, the International Finance Corporate, and Kreditanstalt für Wiederaufbau (KfW) have all expressed interest in this concept. USAID is working actively with these organizations to make this fund a reality.

US Financing in Thousands of Dollars

Eurasia Regional

110-0140 Strengthening the Financial Sector	ESF	FSA
Through September 30, 2003		
Obligations	174	15,214
Expenditures	174	14,832
Unliquidated	0	382
Fiscal Year 2004		
Obligations	0	480
Expenditures	0	365
Through September 30, 2004		
Obligations	174	15,694
Expenditures	174	15,197
Unliquidated	0	497
Prior Year Unobligated Funds		
Obligations	0	460
Planned Fiscal Year 2005 NOA		
Obligations	0	88
Total Planned Fiscal Year 2005		
Obligations	0	548
Proposed Fiscal Year 2006 NOA		
Obligations	0	465
Future Obligations	0	0
Est. Total Cost	174	16,707

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Sustainable Energy Systems
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	180-0150
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$1,500,000 AEEB
Prior Year Unobligated:	\$1,462,000 AEEB
Proposed FY 2006 Obligation:	\$1,500,000 AEEB
Year of Initial Obligation:	1991
Estimated Year of Final Obligation:	2007

Summary: The regional energy program increases regional cooperation in electricity, heat, energy efficiency, and natural gas and promotes harmonization of regulatory and market development approaches to facilitate trade and investment.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$1,500,000 AEEB, \$1,083 AEEB carryover, \$766,477 AEEB prior year recoveries). The development of professional, independent energy regulatory organizations is essential to attract investment and create efficient and financial viable energy systems in this region. Twenty countries in the Europe and Eurasia region have established such bodies and are members of the Energy Regulators Regional Association (ERRA). This program supports the professional development programs and exchange of regulatory information and experience of the ERRA. The regulators work together on practical, common issues in tariff policy and implementation, licensing and standards, market design and operation, public involvement and anti-corruption. This component will also finance technical expertise to support and complement mission programs and capabilities and to help manage regional activities. Implementer: The US National Association of Regulatory Utility Commissions (NARUC) (prime).

Expand and Improve Access to Economic and Social Infrastructure (\$694,440 AEEB prior year recoveries). The Energy and Economic Ministers of the Balkans agreed in 2003 to work together to create a Southeast Europe regional electricity market integrated with the European Union (EU) electricity market. In late 2004 the countries reached agreement on the principles for a Treaty for the Energy Community of South East Europe. USAID is participating in a multi-donor process to support this initiative and is financing: 1) harmonization of legal and regulatory frameworks and planning for a regional regulatory Board; 2) development of transparent and standard electricity commercial operation and contracting mechanisms and market rules; 3) implementation of the plan USAID previously helped to develop for a tele-information system connecting national dispatch centers; and 4) planning of transmission grid development and identification of priorities for investment. This component will also finance technical expertise to support and complement mission programs and capabilities and to help manage regional activities. Contractors/grantees: Pierce Atwood, Hunton and Williams, U.S. Energy Association (USEA), and NARUC (primes).

USAID will also promote private financing and investment in energy efficiency as part of the Southeast Europe regional energy market development. This will include assistance to develop pilot municipal energy efficiency projects and financing approaches for regional replication by private banks, the World Bank, and EBRD on private sector participation in district heating and other innovative financing approaches involving the private sector, and a regional Development Credit Authority facility to provide loan guarantees to leverage a \$15 million loan portfolio. Other areas of focus include identification of energy efficiency investment needs and savings associated with regional energy demand planning; affordability and social safety net approaches to address utility tariff increases; and heating system reform and the potential for increased use of natural gas. USAID's Municipal Network for Energy Efficiency (MUNEE) program will provide assistance on assessing and disseminating effective strategies and policies for promoting more efficient delivery of energy and heat. Implementer: International Resources

Group (IRG) and the Alliance to Save Energy (primes).

Policy and technical support will include financing regional analyses on energy infrastructure development issues, e.g., low-income energy needs and strategies, and electricity transmission system development and electricity trade in the Black Sea region, as well as providing critical technical expertise to support mission programs and manage regional contracts.

FY 2006 Program: Improve Economic Policy and Governance (\$1,000,000 AEEB). USAID will assist the Energy Regulatory Regional Association (ERRA). The emphasis in FY 2006 will be on establishment of the institutional arrangements to expand training development and delivery and activities that seek to move ERRA towards greater financial sustainability and cost-sharing. Close coordination will be pursued with the Council of European Energy Regulators (CEER) to seek their support for ERRA activities. Implementer: NARUC (prime).

Expand and Improve Access to Economic and Social Infrastructure (\$500,000 AEEB). USAID will continue to play a catalytic role in fostering the national and regional reforms necessary to establish Balkan Regional Electricity and Gas Markets with the goal of integrating them into the EU internal market. The focus will be on the harmonization of regulatory frameworks across countries, development of competitive market arrangements, and support for the establishment of regional regulatory approaches necessary for transparent economic electricity trading. To support this, USEA and NARUC will conduct regional regulatory and utility partnership (twinning) arrangements involving one-to-one cost sharing with US state regulatory commissions and US utility and industry companies. Implementers: USEA and NARUC (primes).

Energy demand planning, innovative project financing of energy efficiency projects with municipalities, incorporating energy efficiency into low income and social safety nets and opportunities for substitution of natural gas in heating and other uses will be pursued. Implementers: IRG and the Alliance to Save Energy (primes).

USAID will provide policy and technical support including regional analyses on energy infrastructure development issues, e.g., low-income energy needs and strategies, and electricity transmission system development and electricity trade in the Black Sea region, as well as providing critical technical expertise to support mission programs and manage regional contracts.

Performance and Results: USAID regional energy programs have achieved significant results by focusing resources on strategic regional institutional development. Several highlights from this performance are: the development of an independent association of 22 national energy regulatory agencies; electricity interconnection between South East Europe and the EU market; agreement of countries in the region to the principles for establishment of a Treaty for the Energy Community for South East Europe; an effective non-governmental organization energy efficiency network; model municipal energy efficiency projects in Romania, Bulgaria, Serbia, and Croatia; and additional transmission investments within and among the countries in South East Europe.

US Financing in Thousands of Dollars

Eurasia Regional

110-0150 Sustainable Energy Systems	ESF	FSA
Through September 30, 2003		
Obligations	1,769	22,808
Expenditures	1,769	21,264
Unliquidated	0	1,544
Fiscal Year 2004		
Obligations	0	1,005
Expenditures	0	967
Through September 30, 2004		
Obligations	1,769	23,813
Expenditures	1,769	22,231
Unliquidated	0	1,582
Prior Year Unobligated Funds		
Obligations	0	180
Planned Fiscal Year 2005 NOA		
Obligations	0	1,045
Total Planned Fiscal Year 2005		
Obligations	0	1,225
Proposed Fiscal Year 2006 NOA		
Obligations	0	1,250
Future Obligations	0	0
Est. Total Cost	1,769	26,288

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Better Environmental Management
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	180-0160
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$989,000 AEED
Prior Year Unobligated:	\$1,842,000 AEED; \$565,000 DCA
Proposed FY 2006 Obligation:	\$400,000 AEED
Year of Initial Obligation:	1990
Estimated Year of Final Obligation:	2006

Summary: Abuse of the environment and the failure to price water and public services under socialist governments both took their toll on the infrastructure and environmental quality of Central and Eastern Europe. The transition to free markets provides unique opportunities to end subsidies which waste power, water, and raw materials and create inefficient public utilities, and to introduce innovative approaches to incorporating efficiencies of cleaner production into the industrial cycle. This program develops partnerships between U.S. firms and businesses and municipalities to solve environmental problems, supports Stability Pact infrastructure efforts in Southeastern Europe, and promotes both domestic capital markets and private sector investment in public infrastructure across the region.

Inputs, Outputs, Activities:

FY 2005 Program: Expand and Improve Access to Economic and Social Infrastructure (\$655,000 AEED, \$1,731,000 AEED carryover, \$565,000 DCA carryover)).

Regional Infrastructure Program: the principal objective of the Balkans Regional Infrastructure Program (RIP) is to facilitate infrastructure projects throughout Southeast Europe while improving regional capability for sustainable public utilities and transport agencies.

Through an innovative concept termed the Balkans Infrastructure Development Facility (BIDFacility) RIP's first component supplements the sovereign borrowing capacity of Southeast Europe's nations to improve infrastructure. This new institution uses a revolving fund of \$10 million to develop public infrastructure projects in water, energy, and transport for private sector investment, recouping the costs of preparation from successfully-financed projects. The International Finance Corporation (IFC) joined with USAID, and eventually secured further pledges from Austria, Italy, Greece, Netherlands, Norway and Switzerland. Located in Sofia, BIDFacility opens for business in early 2005. The grantee is International Finance Corporation.

The Balkans Infrastructure Investment Guarantee (BIIG) Facility will use DCA funds to allow local capital sources (banks, insurance funds, mortgage companies) the opportunity to participate in the financing of public infrastructure projects being prepared under the Balkans Infrastructure Development Facility (BIDFacility) being set up this spring by IFC with USAID and other donor support.

RIP also includes a component designed to offer credit enhancement through partial guarantees to facilitate a domestic capital role in projects developed by the BIDFacility. This Balkans Infrastructure Investment Guarantee (BIIG) Fund will utilize USAID's Development Credit Authority. Contractor: Booz Allen Hamilton (prime).

The final component of the RIP is a component supporting the newly created Sava River Commission (SRC). Largely due to US support for an initiative of Bosnia, Croatia, Serbia and Slovenia, the Sava River treaty created the SRC to coordinate issues related to navigation, port reconstruction, flood control, water quality, and integrated basin management. The SRC was formally established at the end of 2004 and will begin operations in 2005. Continued support by the USG will include secretariat support in advance of the hiring of permanent staff by the countries, assistance in completing legal protocols and

analytical support for new infrastructure loans. Contractor: Booz Allen Hamilton (prime).

Infrastructure Reform and Finance (IRF) Project: mobilizing capital for public infrastructure across the region is a major challenge. Nothing is more fundamental to securing a healthy population and a growing economy than clean water, reliable power, and transportation that enables goods to flow freely. The capital for these increasingly needs to come from domestic sources. During its second year the IRF Project will update sector and country analyses and focus on designing strategic interventions for USAID Missions which leverage the Agency's unique capabilities and the larger capital capacities of international investors, multi-lateral development banks and the citizens of the affected countries. This component will also finance technical expertise to support and complement mission programs and capabilities and to help manage regional activities. Contractor: Segura/IP3 Partners (prime).

Reduce, Prevent and Mitigate Pollution (\$210,000 AEEB, \$111,000 AEEB carryover).

Each USAID activity goes through environmental impact review prior to obligation. The E&E Bureau processes over 150 impact reviews annually. This funding provides technical support to ensure that potentially significant adverse environmental impacts are identified prior to project start-up and mitigated to acceptable levels. Also an analysis of the impacts of privatization and land tenure changes will be finished this year. This component will also finance technical expertise to support and complement mission programs and capabilities and to help manage regional activities. Contractor to be determined.

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$124,000 AEEB). This element of the program provides critical technical expertise in land tenure and biodiversity conservation to support and complement USAID programs and capabilities. Contractor: USDA

FY 2006 Program: Expand and Improve Access to Economic and Social Infrastructure (\$250,000 AEEB).

Infrastructure Reform and Finance Project: This final year of this three-year strategic support contract will focus on transferring the capability to conduct updates to sector and country analyses to host countries and Missions, designing new strategic interventions for USAID Missions, and evaluating ongoing infrastructure programs. Contractor: Segura/IP3 Partners (prime).

Reduce, Prevent and Mitigate Pollution (\$150,000 AEEB).

This funding will continue to provide technical support, helping to ensure that potentially significant adverse environmental impacts are identified prior to project start-up and mitigated to acceptable levels. Contractor to be determined.

Performance and Results: Under the RIP, results during 2004 included final preparations for the launch of BIDFacility in early 2005, and the establishment of the permanent Sava River Commission by Bosnia, Croatia, Serbia, and Slovenia.

The E&E Bureau processes over 150 impact reviews annually. While no programs were significantly delayed or cancelled due to environmental compliance requirements, many were brought into compliance by careful design of mitigation measures to ensure minimal environmental damage while still meeting USAID development objectives. Multi-lateral development bank activities in the region were reviewed to ensure compliance with the Title XIII Pelosi Amendment.

US Financing in Thousands of Dollars

Eurasia Regional

110-0160 Better Environmental Management	ESF	FSA
Through September 30, 2003		
Obligations	3	17,858
Expenditures	3	16,517
Unliquidated	0	1,341
Fiscal Year 2004		
Obligations	0	1,092
Expenditures	0	847
Through September 30, 2004		
Obligations	3	18,950
Expenditures	3	17,364
Unliquidated	0	1,586
Prior Year Unobligated Funds		
Obligations	0	501
Planned Fiscal Year 2005 NOA		
Obligations	0	720
Total Planned Fiscal Year 2005		
Obligations	0	1,221
Proposed Fiscal Year 2006 NOA		
Obligations	0	650
Future Obligations	0	0
Est. Total Cost	3	20,821

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Democratic Governance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	180-0200
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$693,000 AEEB
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$1,160,000 AEEB
Year of Initial Obligation:	2005
Estimated Year of Final Obligation:	2010

Summary: USAID regional activities provide analysis and strategic programs that cannot be funded easily within single country programs as well as providing assistance for individual USAID Missions. Programs include regional work in strengthening civil society and independent media, free and fair elections and strengthened democratic political parties, rule of law and anticorruption, decentralized governance and strengthened local governance.

Inputs, Outputs, Activities:

FY 2005 Program: Strengthen Civil Society (\$101,000 AEEB). In FY 2005, the Regional Networking Program will finalize its efforts to consolidate a regional network of non-governmental organizations (NGOs), with continued emphasis on transferring Central and East European (CEE) reform experience throughout the region. The NGO Legal Reform Initiative serves South Eastern European (SEE) countries and institutionalizes NGO law in university curricula. An eighth edition of the NGO Sustainability Index (NGOSI) will be published. Each year, these materials serve as a vital analytic resource for the agency and its Missions as well as being available to external organizations. Technical assistance (TA) will be provided to USAID missions and TA and funding will be provided to partners to help them share lessons learned, develop approaches and tools to promote NGO sector sustainability, and foster ethnic and religious tolerance in a region still contending with ethnic and religious tensions and potential for conflict. Grantees: The International Center for Not-for-profit Law (ICNL) (prime), the European Center for Not-for-profit Law (ECNL) (sub), and to be determined.

Establish and Ensure Media Freedom and Freedom of Information (\$100,000 AEEB). The Regional Media Program strengthens independent print and broadcast media in the region. FY 2005 priorities include encouraging more cross-border and regional investigative, anti-corruption reporting in broadcast and print media; monitoring media legal issues, including the drafting and implementation of media laws; defining best practices in media development; and assessing and ranking media systems in the region through the Media Sustainability Index (MSI). Technical assistance will be provided to USAID missions and partners to help them develop approaches and tools to promote the development of sustainable, independent media. Grantee: The International Research and Exchanges Board (IREX).

Strengthen Democratic National Governance Institutions (\$142,000 AEEB). Work in this area includes technical assistance to encourage decentralization of national government power and resources and development of responsive local government able to provide appropriate services to the citizenry. Technical assistance also will be provided to strengthen democratic political parties and to promote and support free and fair elections as a means of arriving at just democratic governance. The eighth edition of Nations in Transit will be published, measuring democratic reform throughout the region and contributing to understanding of the programming challenges and development of appropriate strategies by USAID. Grantee: Freedom House (prime).

Improve Justice Sector/Legal Framework (\$350,000 AEEB). USAID provides limited funds for advisors to provide organizational development assistance to key legal reform partner NGOs in Europe, a program which is winding down. USAID support to Europe missions includes assessments, strategy advice,

workshops, and program design assistance to support regional and mission rule of law and anti-corruption objectives. Technical assistance will be provided to USAID missions and partners to help them devise appropriate initiatives for promoting and supporting justice sector institutions and anti-corruption reforms and protecting human rights and equal access to justice. Grantee: American Bar Association/Central Europe and Eurasia Law Initiative (ABA/CEELI).

FY 2006 Program: Strengthen Civil Society (\$220,000 AEEB). In FY 2006 the ninth edition of the NGO Sustainability Index (NGOSI) will be published. Each year, these materials serve as a vital analytic resource for the agency and its Missions as well as being available to external organizations. Technical assistance will be provided to USAID missions and partners to help them develop approaches and tools to promote viable and vibrant civil society and to foster ethnic and religious tolerance in a region still contending with ethnic and religious tensions and potential for conflict. Grantees are the same as in FY 2005.

Establish and Ensure Media Freedom and Freedom of Information (\$350,000 AEEB). The Regional Media Program will continue to support regional and cross-border media development activities, creating linkages between journalists in different countries. Support of investigative reporting on cross-border issues-with a special emphasis on anti-corruption reporting, including trafficking in persons and organized crime-will increase. The MSI will continue to be supported, as will the annual media conference. Technical assistance will be provided to USAID missions and partners to help them develop approaches and tools to promote sustainable, independent media throughout the region. Grantee: IREX (prime).

Strengthen Democratic National Governance Institutions (\$205,000 AEEB). Work in this sector includes technical assistance to encourage decentralization of national government power and resources and development of responsive local government able to provide appropriate services to the citizenry. Technical assistance also will be provided to strengthen democratic political parties and to promote and support free and fair elections as a means of arriving at just democratic governance. The ninth edition of NIT will be published by Freedom House, measuring democratic reform throughout the region and contributing to understanding of the programming challenges and development of appropriate strategies by USAID. Grantee: Freedom House (prime).

Improve Justice Sector/Legal Framework (\$385,000 AEEB). USAID support to Europe missions includes assessments, strategy advice, workshops, and program design assistance to support regional and mission rule of law and anti-corruption objectives. Technical assistance will be provided to USAID missions and partners to help them devise appropriate initiatives for promoting and supporting justice sector institutions and anti-corruption reforms and protecting human rights and equal access to justice. Contractor: various.

Performance and Results: The NGO Legal Reform Initiative through ICNL culminated in the establishment of the ECNL, which is now an independent European organization able to receive European Union funding and which will continue to serve SEE countries and institutionalize NGO law in university curricula. Seventh editions of the NGOSI and NIT were published. The fourth edition of the MSI was published. These publications all proved useful in projecting countries' progress and planning USG initiatives for democratic development in the region and the appropriate length of time for engagement. Twelve regional anti-corruption shows were produced for the region; and an anti-corruption website and news agency project have been expanded regionally. Through the justice sector strengthening activity, ABA/CEELI provided organizational development assistance to legal reform partner NGOs in Europe.

US Financing in Thousands of Dollars

Eurasia Regional

110-0200 Democracy and Governance	FSA
Through September 30, 2003	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2004	
Obligations	0
Expenditures	0
Through September 30, 2004	
Obligations	0
Expenditures	0
Unliquidated	0
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2005 NOA	
Obligations	424
Total Planned Fiscal Year 2005	
Obligations	424
Proposed Fiscal Year 2006 NOA	
Obligations	1,027
Future Obligations	0
Est. Total Cost	1,451

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Health Promotion and Care
Pillar:	Global Health
Strategic Objective:	180-0320
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$1,140,000 AEEB; \$250,000 CSH
Prior Year Unobligated:	\$560,000 AEEB
Proposed FY 2006 Obligation:	\$1,109,000 AEEB; \$250,000 CSH
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2008

Summary: The regional program makes USAID's health investments more cost-effective by enhancing and securing the results of the bilateral programs and by filling critical gaps not addressed through country-specific programs. Through technical assistance, training, analysis, and outreach, the programs increase knowledge for region-wide reform efforts and encourage the application of critical health information across the region. FY 2005 and FY 2006 programs reflect the higher priority given to controlling HIV/AIDS, while recognizing the importance of addressing HIV/AIDS within the context of broader health issues and health care systems. Most Europe and Eurasia (E&E) regional health activities draw upon both AEEB and FSA resources to ensure cost effective approaches to resolve common issues.

Inputs, Outputs, Activities:

FY 2005 Program: Reduce Transmission and Impact of HIV/AIDS (\$410,000 AEEB, \$220,000 AEEB carryover, \$250,000 CSH). Regional conferences, training, workshops, and technical assistance will support countries in their application for Global Fund to fight AIDS, Tuberculosis, and Malaria (GFATM) grants, as well as in the implementation, monitoring and evaluation of GFATM activities. The Southeast Europe (SEE) Initiative (RiskNet) will continue to build the capacity and sustainability of non-governmental organization (NGOs) and institutions working with populations most at-risk for HIV. Through the American International Health Alliance (AIHA) USAID will support an internet-based EurasiaHealth HIV/AIDS Knowledge Library, and translate and distribute protocols and lessons learned. Partners include: Population Services International, Social & Scientific Systems, Inc., Family Health International, Johns Hopkins University (JHU), AIHA (all primes).

Prevent and Control Infectious Diseases of Major Importance (\$105,000 AEEB, \$100,000 AEEB carryover). The program focuses efforts on the control of tuberculosis (TB) and multi-drug resistant TB (MDR-TB) as major threats to public health and economic and social progress in the region. Activities support implementation of the WHO Directly Observed Treatment, Short Course (DOTS) strategy as the international norm for TB control programs. Activities will include technical support to promote effective use of GFATM grants, support for regional trainings and networks to fill gaps in local DOTS expertise, and translation and dissemination of technical documents and protocols. The outreach and analysis activity will conduct an HIV-TB co-infection study to assess the extent of the co-infection problem and recommend appropriate interventions. Partners include: JHU and the Tuberculosis Coalition for Technical Assistance (primes).

Support Family Planning (FP) (\$120,000 AEEB, \$100,000 AEEB carryover). AIHA will disseminate information on FP, and monitor the effectiveness of FP partnership activities. An analysis and outreach activity will work with policymakers and program managers to increase access to FP and provide women with an alternative to abortion. Partners include: AIHA, John Snow International, Centers for Disease Control, and LTG Associates (primes).

Improve Child Survival, Health and Nutrition (\$345,000 AEEB, \$71,944 AEEB carryover, \$68,056 AEEB prior year recoveries). Reduce Non-communicable Diseases (NCD) and Injuries (\$60,000 AEEB); and Build Health Systems Capacity (\$100,000 AEEB). To address these critical health issues, the regional

program includes: prevention of iodine deficiency disorder (IDD) to address the leading preventable cause of mental retardation in Europe; dissemination of child survival information; a health manager's workshop; an analysis of cost-effective approaches to prevent and manage NCD via primary health care; and a health systems assessment. Partners include: UNICEF/Kiwanis, AIHA, Jeorge Scientific Corporation, (primes) and others TBD.

FY 2006 Program: Reduce Transmission and Impact of HIV/AIDS (\$350,000 AEED, \$250,000 CSH). RiskNet will continue to build the sustainability of NGOs and institutions working with populations most at-risk for HIV to leave an in-country legacy when U.S. assistance phases out. An analysis and outreach activity will examine health systems needs to address HIV/AIDS and TB treatment and care.

Prevent and Control Infectious Diseases of Major Importance (\$99,000 AEED). An analysis and outreach activity will support more effective HIV-TB co-infection prevention and treatment policies and programs.

Support Family Planning (\$130,000 AEED). An analysis and outreach activity will continue to promote alternatives to abortion and increase access to FP.

Improve Child Survival, Health and Nutrition (\$300,000 AEED); Reduce NCD and Injuries (\$80,000 AEED); and Build Health Systems Capacity (\$150,000 AEED). To address these critical health issues, the regional program expects to: Continue to address IDD; inform more effective child health programs; promote the integration of NCD programs into primary health care; and support implementation of national health accounts.

Implementing partners are expected to be the same in FY 2006 as in FY 2005.

Performance and Results: USAID supported a regional workshop for E&E recipients of GFATM to strengthen the implementation and management of grants. RiskNet expanded from six to ten active organizations, increasing the number of new clients served by nearly 160%, building sustainable local capacity, and reinforcing HIV/AIDS prevention efforts across borders and throughout the region. An assessment on "Strengthening HIV/AIDS Surveillance in E&E" produced a practical field guide on HIV/AIDS surveillance in the region. USAID supported the translation, testing, and dissemination of the "Brief Guide to TB Control," a key document for primary health care providers in 15 Eurasian countries. USAID also supported a drug management training course for National TB Program staff in the Caucasus that has strengthened TB drug management. AIHA launched the on-line EurasiaHealth HIV/AIDS Knowledge Library to provide access to HIV/AIDS-related guidelines and research. The percent of E&E households consuming iodized salt has increased from 26% in 2000 to about 48% in 2004.

Continued progress in this objective will mean that when support ceases there will be an increased use of modern methods of family planning and a concurrent decrease in abortions; greater investments in a more effective and sustainable HIV/AIDS response; wider adoption of the DOTS strategy; reduction in MDR-TB; stronger health systems; and more integrated and higher quality primary health care services.

US Financing in Thousands of Dollars

Eurasia Regional

110-0320 Health Promotion and Care	CSH	ESF	FSA
Through September 30, 2003			
Obligations	550	13,832	57,573
Expenditures	550	13,830	49,970
Unliquidated	0	2	7,603
Fiscal Year 2004			
Obligations	0	0	4,709
Expenditures	0	0	5,939
Through September 30, 2004			
Obligations	550	13,832	62,282
Expenditures	550	13,830	55,909
Unliquidated	0	2	6,373
Prior Year Unobligated Funds			
Obligations	0	0	2,246
Planned Fiscal Year 2005 NOA			
Obligations	0	0	1,260
Total Planned Fiscal Year 2005			
Obligations	0	0	3,506
Proposed Fiscal Year 2006 NOA			
Obligations	0	0	1,660
Future Obligations	0	0	0
Est. Total Cost	550	13,832	67,448

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Social Sector Reform
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	180-0340
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$800,000 AEEB
Prior Year Unobligated:	\$1,490,000 AEEB
Proposed FY 2006 Obligation:	\$450,000 AEEB
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2008

Summary: Continued stagnation and deterioration in key areas of human capital and social services threaten to undermine the sustainability of economic and democratic transition in certain parts of Europe. Therefore, USAID is placing increased attention on social sector issues through ongoing analytical work, technical assistance, and dissemination of best practices. These are intended to promote programs to protect vulnerable groups, especially through youth and anti-trafficking activities; improve labor market functioning; encourage education system reform, especially at the primary and secondary levels; and inform strategic approaches taken by USAID Missions to mitigate adverse social conditions and trends.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Quality of Workforce (\$146,407 AEEB carryover, \$1,283,593 AEEB prior year recoveries). USAID will work with U.S. experts and experts within the region to carry out critical strategic analysis on social sector topics. A primary focus will be on ways to reduce poverty and vulnerability, especially via workforce improvement and increased employment. USAID will continue to work in collaboration with U.S. and regional experts and think tanks to more deeply analyze problems initially identified by the social sector hotspots analyses that were recently updated. The output of this analysis will be recommendations regarding critical USAID investment in the social sector as well as specific program ideas for countries to implement. Results of these analyses will also be used to inform the proceedings of a workshop involving regional think tanks and researchers that will be convened in early 2005. FY 2005 funds will be used to conduct and disseminate this research, provide technical support to USAID Missions, and to fund expert technical staff. Contractor: Aguirre International (prime).

Reduce Trafficking in Persons (\$800,000 AEEB, \$60,000 AEEB prior year recoveries). Trafficking in persons (TIP) has become a major social, economic and moral problem in the region. President Bush has made a major commitment to reduce TIP. USAID will support a regional program to build a network of governmental and non-governmental agencies, organizations, and leaders to reduce the conditions leading to TIP, provide assistance to those who have been trafficked, and get better information on alternatives and help to those most vulnerable. FY 2005 funds will also be used to provide technical support on developing anti-trafficking programs to Missions and to fund expert technical staff. Contractors/grantees: to be determined.

FY 2006 Program: Improve Quality of Workforce (\$150,000 AEEB). Analytic work on the social sector in the region will continue and will provide strategic guidance and technical assistance to mitigate social sector problems. Funds will continue to be used to support expert technical staff. Contractor: to be determined.

Reduce Trafficking in Persons (\$300,000 AEEB). Work on building the anti-trafficking network and technical assistance to Missions will continue. Funds will continue to be used to support program staff. Contractor/grantees: to be determined.

Performance and Results: The results achieved under this objective will improve sustainability of

USAID's assistance in countries in Europe by helping to halt and eventually reverse the declines in social welfare experienced by citizens in the transition countries. In addition to reducing human suffering and deprivation, strategic assistance in the social sectors increases public support for reform among citizens who have seen deterioration in their access to social services.

A program of assessments, technical consultations, and review of lesson learned and best practices in social transition has permitted USAID to better take account of social constraints in its programs, including how best to promote social transition objectives via stand-alone or synergistic programs. In-depth social sector hotspots analyses of the status of the education, labor, pension, and health sectors were conducted. The status of vulnerable and strategic groups in the region was also ascertained. An analysis of the status of social services in the region was completed, as was an in-depth examination of best practices in social services in Romania. Work was also completed on a regional labor market study.

US Financing in Thousands of Dollars

Eurasia Regional

110-0340 Social Sector Reform	FSA
Through September 30, 2003	
Obligations	2,932
Expenditures	2,176
Unliquidated	756
Fiscal Year 2004	
Obligations	725
Expenditures	683
Through September 30, 2004	
Obligations	3,657
Expenditures	2,859
Unliquidated	798
Prior Year Unobligated Funds	
Obligations	335
Planned Fiscal Year 2005 NOA	
Obligations	436
Total Planned Fiscal Year 2005	
Obligations	771
Proposed Fiscal Year 2006 NOA	
Obligations	700
Future Obligations	0
Est. Total Cost	5,128